

House Republican Press Release

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Reps Piscopo, DelGobbo & Williams: Bloated Budget, Tax Hikes Threaten CT's Future



With the U. S. Census Bureau projecting that Connecticut's slow population growth could cost us another seat in Congress, today's approval of \$1 billion in new taxes over the next two years by the General Assembly's Finance Committee could accelerate a disturbing trend that already has reduced our

Congressional delegation from six to five members by dealing a crippling blow to the state's troubled economy, House Republican Whip John E. Piscopo, R-76th District, and state representatives Kevin M. DelGobbo, R-70th District, and Sean J. Williams, R-68th District, warned today.

The Democrat-dominated Finance, Revenue and Bonding Committee's action came on the heels of the Appropriations Committee's approval Tuesday of a spending package that would cost taxpayers about \$32 billion over the two-year life of the budget. The Democrat proposal would increase spending by 13 percent over two years and exceed the state's Constitutional Spending Cap by \$434 million during the first year of the biennial budget and by \$491 million in the second year, the legislators said.

"If this budget and the tax package approved by the Finance Committee to pay for it is allowed to stand, it could set the stage for a recession comparable to the one we endured for almost five years about a decade ago," said Representative Piscopo, a finance committee member. "It will make Connecticut's unfriendly business climate downright hostile and drive more employers and jobs out of Connecticut - and into the welcoming arms of the low-tax states in the south and southwest that have been successfully competing with us for the past 20 years."

"It is not a coincidence that those parts of the country are economic powerhouses that have been steadily gaining population while Connecticut and other states in the northeast have been stagnating or declining - and losing our most ambitious and hard-working young people by the thousands," Representative Piscopo said. "The loss of one of our six congressional seats after the 2000 Census should have been a wake-up call to the complacent tax and spend Democrats who have been undermining our state's economy for the past 30 years with their irresponsible tax and spend policies. Connecticut's economy is slowly recovering from an economic slump that lasted almost three years and cost us thousands of jobs. If this budget and tax package passes, it could throw our

economy into a tailspin and cost us jobs that may never come back.”

“This budget is beyond words, in terms of the harm it will inflict on Connecticut’s future,” said Representative DelGobbo, who also serves on the finance committee. “Over \$1 billion in new taxes falling heavily on small business owners will strangle job creation in our state. The tax plan even raises your taxes after you are dead.”

“I cannot imagine how any legislator could seriously contemplate a billion dollars in new taxes at this time. Connecticut is already lagging behind the rest of the nation in job creation, economic expansion and income growth,” Representative DelGobbo added.

The Democrat-controlled Appropriations Committee adopted a \$31.7-billion, biennial budget that is \$627 million more than Governor M. Jodi Rell recommended. The budget approved by the Appropriations Committee would be the largest state government spending increase in decades, Representative DelGobbo said.

Representative DelGobbo particularly criticized the Democrats’ tax package for reinstating death taxes that were scheduled to be phased out, extending corporate surcharges that were set to expire and delaying a planned tax cut for single taxpayers.

The tax package especially targets people who own local businesses and who have invested in the community and hired local workers, he noted.

Noting the arrogant tone set by the Appropriations Committee chairs, who described the state’s constitutional spending cap as nothing more than a disposable guideline, Representative Williams noted: “Even if you disregard the fact that the constitutional spending cap was adopted by taxpayers overwhelmingly and is mandated in our constitution, and accept their untenable argument that it is nothing more than a guideline, you clearly have no respect for the cap even as a marker when you talk about going over it by \$434 million. This budget would break the bank, break our taxpayers’ backs, and now quite literally break the law.”